

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2601 - SB 2503

February 29, 2020

SUMMARY OF BILL: Renames the *Tuition Transparency and Accountability Act* to the *Tuition Transparency and Responsible Borrowing Initiative Act*.

Requires all public institutions of higher education (institutions) to provide every student a notice of financial aid eligibility to include a detailed and completed current-year federal or institution-specific college financing plan.

Requires each institution to provide a student who is finalizing acceptance of a financial aid package, the net cost of the student's attendance in a prominent and highly visible manner and an interactive student loan scenario calculator that demonstrates repayment levels.

Requires each institution to provide additional financial aid information, including links to appropriate financial aid tools and resources, as determined by the Tennessee Higher Education Commission.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$5,600/FY20-21/Tennessee Board of Regents
\$33,600/FY20-21/Locally Governed Institutions
\$5,600/FY20-21/University of Tennessee**

Assumptions:

- Based on information provided by the Tennessee Board of Regents (TBR), the state's Locally Governed Institutions (LGI's), and the University of Tennessee (UT), each institution will need to create an interactive student loan scenario calculator.
- The average cost of the interactive calculator is estimated to be \$5,600.
- The total increase in state expenditures for the TBR is estimated to be \$5,600 in FY20-21.
- The total increase in state expenditures for LGI's is estimated to be \$33,600 (\$5,600 x 6 institutions) in FY20-21.
- The total increase in state expenditures for UT is estimated to be \$5,600 in FY20-21.
- Any increase in administrative expenditures to the institutions for providing the college financing plan and additional financial aid information is assumed to be absorbed within existing resources.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/jpj